Higher rates of PDS foodgrains

†4419. SHRI JANESHWAR MISHRA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that consequent upon the various policies adopted by Government, Public Distribution System has almost come to stand still;

(b) whether it is also a fact that rates of foodgrains distributed under this system are even higher than the market rates; and

(c) if so, whether Government would review this policy?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SRIRAM CHAUHAN): (a) No, Sir.

(b) and (c) With a view to neutralize the financial burden consequent upon the hike in Minimum Support Price (MSP)/ Procurement Price and to contain the food subsidy budget to a manageable level, Central Issue Prices (CIPs) of PDS foodgrains are revised from time to time. The CIPs of foodgrains being distributed under PDS were hiked on 1.4.2000 which have been subsequently revised downwards on 25.7.2000 for all the States/UTs. The prics of PDS foodgrains are still lower than the open market prices, for the people living below poverty line (BPL). The Central Issue Prices at which foodgrains are made available to the States for the BPL population are Rs. 415 per quintal for wheat and Rs. 565 per quintal for rice.

†Original notice of the Question was received in Hindi.